

**CITY COUNCIL OF THE CITY OF SAN DIEGO  
SUPPLEMENTAL DOCKET NUMBER 2  
FOR THE REGULAR MEETING OF  
MONDAY, SEPTEMBER 12, 2005 AT 2:00 P.M.  
CITY ADMINISTRATION BUILDING  
COUNCIL CHAMBERS – 12<sup>TH</sup> FLOOR  
202 “C” STREET  
SAN DIEGO, CA 92101**

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**ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS  
RESOLUTIONS:**

ITEM-S401: Agreement with Electronic Evidence Discovery (EED) for Electronic Repository to Support City Audit Committee.

**CITY MANAGER’S RECOMMENDATION:**

Adopt the following resolution:

(R-2006-189)

Authorizing the City Manager to execute an Agreement between the City of San Diego and Electronic Evidence Discovery, Inc., for creation of an electronic repository that the City Audit Committee will use to conduct its independent investigation, for an amount not to exceed \$727,500, under the terms and conditions set forth in the Agreement, together with any reasonably necessary modifications or amendments thereto which do not increase the scope or cost and which the City Manager shall deem necessary from time to time in order to carry out the purposes and intent of this agreement, provided that the City Auditor and Comptroller first furnishes one or more certificates demonstrating that the funds necessary for such expenditure are on deposit in the City Treasury.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)  
RESOLUTIONS: (Continued)

ITEM-S401: (Continued)

**CITY MANAGER SUPPORTING INFORMATION:**

As part of its independent investigation, the Audit Committee must review all materials produced in response to the subpoenas and other requests for information from the U.S. Securities and Exchange Commission (SEC) and the U.S. Attorney's Office (USAO) that have been issued since 2004. The materials include paper documents, scanned paper image files, video and audio tapes and CDs, electronic mail and electronic files in a variety of formats. There are over one million pages of paper documents and more than sixty thousand electronic files. In order to review these documents in a timely manner, as well as continue to produce them for the SEC and USAO, an electronic repository is required. The establishment of this repository is critical and must be implemented as soon as possible in order for the Audit Committee to complete its investigation by December 2005.

The key criteria for development and support of the electronic repository include software functionality (such as the ability to easily and rapidly search across all information in the repository and highlight where the search terms occur), flexibility of systems and processes to support the needs of the City and Audit Committee, and the ability to implement rapidly.

After researching firms that provide electronic repository services, staff identified several companies with the potential to provide the needed functionality and requested that they submit service and pricing information. Four firms provided this information. Working with the Audit Committee and City Attorney's Office, staff asked these firms to demonstrate the capabilities of their products and evaluated the results against core functional requirements. Electronic Evidence Discovery, Inc. (EED) was identified as providing the best value to the City based on acceptable pricing, software functionality and flexibility of services. Their final cost estimate was the lowest of the four provided. The City Manager has determined that EED should be a sole source provider in accordance with Section 22.3036 of the San Diego Municipal Code. Due to the timeframe, a competitive bid process would be impractical and would not produce any additional advantage to the City.

Ewell/Arellano/HS

Aud. Cert. 2600197.

Staff: Howard Stapleton – (619) 533-4766  
Anita Noone – Assistant City Attorney

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-S402: Appointment of Mr. James Waring to the San Diego City Employees' Retirement System Board of Administration.

(See memorandum from Deputy Mayor Atkins dated 9/6/2005, with resume attached.)

**DEPUTY MAYOR ATKINS' RECOMMENDATION:**

Adopt the following resolution:

(R-2006-221)

Council confirmation of the following appointment by the Deputy Mayor of the City of San Diego, to serve as a member of the San Diego City Employees' Retirement System Board of Administration:

**NAME**

**TERM ENDING**

James T. Waring  
(La Jolla, District 1)  
(Replacing Thomas E. King, who resigned)

March 31, 2009